



REAL ESTATE COMMISSION  
STATE OF HAWAII  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
PROFESSIONAL AND VOCATIONAL LICENSING DIVISION  
250 South King Street Room 702  
Honolulu, Hawaii 96813

CONDOMINIUM PUBLIC REPORT

ROLLINS CONDOMINIUM  
Ohana Aina Road  
Kalaheo, Kauai, Hawaii 96741

Registration No. 2656

Issued: January 28, 1993  
Expires: February 28, 1994

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as c  
December 14, 1992, and is issued by the Commission for informational purposes only. It represent  
neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

- PRELIMINARY:  
(yellow)
- The developer may not as yet have created the condominium but has filed with th  
Real Estate Commission minimal information sufficient for a Preliminary Public Repor  
A Final Public Report will be issued when complete information is filed.
- X FINAL:  
(white)
- The developer has legally created a condominium and has filed complete informatio  
with the Commission.
- [ X ] No prior reports have been issued  
[ ] Supersedes all prior public reports  
[ ] Must be read together with
- SUPPLEMENTARY:  
(pink)
- Updates information contained in the
- [ ] Prelim. Public Report dated  
[ ] Final Public Report dated  
[ ] Supp. Public Report dated
- And [ ] Supersedes all prior public reports  
[ ] Must be read together with
- [ ] This report reactivates the  
public report(s) which expired on

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[ ] Required [X] Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

[ X ] No prior reports have been issued by the Commission.

[   ] Changes made are as follows:

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*
*                                     SPECIAL ATTENTION
*
*   This is a CONDOMINIUM PROJECT, not a subdivision. The
*   land area beneath and immediately appurtenant to each
*   unit is designated a LIMITED COMMON ELEMENT and does
*   not represent a legally subdivided lot. The dotted
*   lines in the Condominium Map bounding the designated
*   number of square feet in each limited common element
*   land area are for illustration purposes only and should
*   not be construed to be formal subdivision lines.
*
*   This public report does not constitute approval of the
*   Project by the Real Estate Commission, nor does it ensure
*   that all applicable County codes, ordinances, and
*   subdivision requirements have necessarily been complied
*   with.
*
*   The prospective purchaser should be aware that as of the
*   effective date of this public report, comments from the
*   Kauai County Planning Department, have not been received.
*   If and when such comments are received which are contrary
*   or in addition to the information contained herein, a copy
*   shall be provided to each purchaser or prospective purchaser.
*   If the information represents material facts not
*   already disclosed in this public report, the Developer
*   may be required to prepare a supplementary public report.
*
*   THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW
*   THE CONDOMINIUM DOCUMENTS FOR FURTHER INFORMATION WITH
*   REGARD TO THE FOREGOING.
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## **G. GENERAL INFORMATION ON CONDOMINIUMS**

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Condominium Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

### **Operation of the Condominium Project**

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

## SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

- ☒ Fee simple interest in an apartment and an undivided feehold interest in the common elements.  
☐ Leasehold interest in an apartment and an undivided leasehold interest in the common elements.  
☐ Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

### Types of Project:

1. ☒ New Building(s) ☐ Conversion  
☐ Both New Building(s) and Conversion
2. ☒ Residential ☐ Commercial ☐ Ohana  
☐ Mixed Residential and Commercial ☐ Agricultural  
☐ Other \_\_\_\_\_
3. ☐ High Rise (5 stories or more) ☒ Low Rise
4. ☐ Single or ☒ Multiple Buildings
5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
Unit A	1	3/3	2,400	650
Unit B	1	3/3	2,200	400
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 2

*\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

*Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.*

### 6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	_____
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: <u>2 car garage for each unit</u>	<u>4</u>
<b>Total Parking Stalls</b>	<b><u>4</u></b>

### 7. Recreational amenities:

None

# PEOPLE CONNECTED WITH THE PROJECT

Developer: JOHN STANTON ROLLINS and TAMARA ANN ROLLINS  
Name  
P. O. Box 560  
Business Address  
Eleele, Kauai, Hawaii 96705

Phone: (808) 245-8117  
(Business)

Names of officers or general partners of developers who are corporations or partnerships:

N/A

Real Estate Broker: Makai Properties  
Brenda Finley  
Name  
P. O. Box 905  
Business Address  
Koloa, Kauai, Hawaii 96756

Phone: (808) 742-7561  
(Business)

Escrow: First Hawaii Title Corporation  
Name  
4366 Kukui Grove Street, Suite 205  
Business Address  
Lihue, Kauai, Hawaii 96766

Phone: (808) 245-1608  
(Business)

General Contractor: N/A - Self-builder  
Name  
  
Business Address

Phone:   
(Business)

Condominium Managing Agent: Self-managed by Association of  
Name Apartment Owners  
  
Business Address

Phone:   
(Business)

Attorney for Developer: Michael J. Belles, Case & Lynch  
Name  
4334 Rice Street, Suite 202  
Business Address  
Lihue, Kauai, Hawaii 96766

Phone: (808) 245-4705  
(Business)

## II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. Declaration of Condominium Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

☐ Proposed  
☒ Recorded - Bureau of Conveyances - Document No. 92-048303  
Book \_\_\_\_\_ Page \_\_\_\_\_  
☐ Filed - Land Court - Document No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

☐ Proposed  
☒ Recorded - Bureau of Conveyance Condo Map No. 1638  
☐ Filed - Land Court Condo Map No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

☐ Proposed  
☒ Recorded - Bureau of Conveyances - Document No. 92-048304  
Book \_\_\_\_\_ Page \_\_\_\_\_  
☐ Filed - Land Court - Document No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- D. **House Rules.** The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:

☐ Proposed                      ☐ Adopted                      ☒ Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>100%</u>
Bylaws	65%	<u>75%</u>
House Rules	---	<u>N/A</u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:**

- ☒ No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.
- ☐ Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules



### III. THE CONDOMINIUM PROJECT

**A. Interest to be Conveyed to Buyer:**

- [ X ] Fee Simple: Individual apartments and the common elements which includes the underlying land will be in fee simple.
- [ ] Leasehold or Subleasehold: Individual apartments and the common elements which includes the underlying land will be leasehold.

**The leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.**

Exhibit \_\_\_\_\_ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: \_\_\_\_\_  
Rent Renegotiation Date(s): \_\_\_\_\_

**Lease Rent Payable:**    ☐ Monthly                      ☐ Quarterly  
                                     ☐ Semi-Annually             ☐ Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per  
☐ Month ☐ Year.

- [ ] Individual Apartments in Fee Simple Common Interest in the Underlying Land in Leasehold or Subleasehold:

The leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners - tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit \_\_\_\_\_ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: \_\_\_\_\_  
Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable:    ☐ Monthly                      ☐ Quarterly  
                               ☐ Semi-Annually                  ☐ Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per  
 [ ] Month [ ] Year.

- ☐ Other:

For Subleaseholds:     N/A

- [ ] Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is  
[ ] Cancelled     [ ] Foreclosed
- [ ] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is cancelled or foreclosed.

**B. Underlying Land:**

Address: Lot 2, Bowles Half Acres Subdivision Tax Map Key: (4) 2-4-05:45  
Ohana Aina Road (TMK)  
Kalaheo, Kauai, Hawaii 96741

[ ] Address     [ ] TMK     is expected to change because \_\_\_\_\_

Land Area: .500     [ ] square feet     [X] acre(s)     Zoning: R-2

Fee Owner: JOHN STANTON ROLLINS and  
TAMARA ANN ROLLINS  
Name

P. O. Box 560  
Address

Eleele, Kauai, Hawaii 96705

Sublessor: N/A  
Name

Address

**C Buildings and Other Improvements:**

1.    [X] New Building(s)     [ ] Conversion of Existing Building(s)  
      [ ] Both New Building(s) and Conversion

2.    Buildings: 2     Floors Per Building 2 floors

[X] Exhibit "A" contains further explanations.

3.    Principal Construction Material:

[ ] Concrete     [ ] Hollow Tile     [X] Wood

[ ] Other \_\_\_\_\_

4. Permitted Uses by Zoning:

	No. of Apts.	Use Determined By Zoning		No. of Apts.	Use Determined By Zoning
<input type="checkbox"/> Commercial	_____	_____	<input type="checkbox"/> Industrial	_____	_____
<input checked="" type="checkbox"/> Residential	<u>2</u>	<u>Yes</u>	<input type="checkbox"/> Agricultural	_____	_____
<input type="checkbox"/> Timeshare/Hotel	_____	_____	<input type="checkbox"/> Recreational	_____	_____
<input type="checkbox"/> Other: _____	_____	_____		_____	_____

Is/Are this/these use(s) specifically permitted by the project's declaration or bylaws?

☒ Yes ☐ No

5. Special Use Restrictions:

The Declaration, Bylaws, and House Rules may contain restrictions on the use and occupancy apartments. Restrictions for this condominium project include but are not limited to:

- ☒ Pets: Common household pets in reasonable numbers only. See Section 13.1 of the Bylaws.
- ☐ Number of Occupants: N/A
- ☒ Other: There are special use restrictions contained in the project documents. See paragraph G. of the Declaration.
- ☐ There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0 Stairways 1 Trash Chutes 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
Unit A	<u>1</u>	<u>3/3</u>	<u>2,400</u>	<u>650</u>
Unit B	<u>1</u>	<u>3/3</u>	<u>2,200</u>	<u>400</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 2

\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment: Each unit includes, but is not limited to, the footings or slab on which it is constructed, the exterior walls and roof, all interior walls, floors, ceilings, columns and partitions, and the finished surfaces thereof, the doors and door frames, windows and window frames, the air space within the perimeters of the unit, and all fixtures originally installed in the unit. Each unit also includes the garage or carport appurtenant thereto, as shown on the Condominium File Plan. Each unit shall not include any pipes, shafts, wires, conduits or other utility or service lines running through such unit which are utilized for or serve more than one unit, the same being deemed common elements as provided in the Declaration.

**Permitted Alterations to Apartments:**

See Exhibit "B"

**7. Parking Stalls:**

Total Parking Stalls: 2 Car garage for each unit

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for individual units)	_____	_____	_____	_____	_____	_____	_____
Guest	_____	_____	_____	_____	_____	_____	_____
Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra Available for Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	<u>4</u>	_____	_____	_____	_____	_____	<u>4</u>
Total	_____	_____	_____	_____	_____	_____	_____
Covered & Open	<u>4</u>	_____	_____	_____	_____	_____	_____

Each apartment will have the exclusive use of at least 2 parking stall(s).  
Buyers are encouraged to find out which stall(s) will be available for their use.

☐ Commercial parking garage permitted in condominium project.

☐ Exhibit \_\_\_\_\_ contains additional information on parking stalls for this condominium project.

**8. Recreational and Other Common Facilities:**

☒ There are no recreational or common facilities.

☐ Swimming pool

☐ Storage Area

☐ Recreation Area

☐ Laundry Area

☐ Tennis Court

☐ Trash Chute

☐ Other: \_\_\_\_\_

\_\_\_\_\_

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least five years):

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

N/A

b. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

N/A

10. Conformance to Present Zoning Code

a. ☒ No variances to zoning code have been granted.

☐ Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>X</u>	<u>                    </u>	<u>                    </u>
Structures	<u>X</u>	<u>                    </u>	<u>                    </u>
Lot	<u>X</u>	<u>                    </u>	<u>                    </u>

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited | Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project intended to be used by all apartment owners. They are owned jointly by all apartment owners.

☒ Exhibit "C" describes the common elements.

☐ As follows:

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

☐ There are no limited common elements in this project.

☒ The limited common elements and the apartments which may use them are:

☒ described in Exhibit "D"

☐ as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

☒ Exhibit "E" describes the common interests for each apartment.

☐ As follows:

E. Encumbrances Against Title An encumbrance is a claim against c ability on the property.

Exhibit "F" describes the encumbrances against the title contained in the title report dated May 5, 1992 and issued by First Hawaii Title Corporation.

Blanket Liens:

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[ ] There are no blanket liens affecting title to the individual apartments.

[ X ] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Mortgage in favor of First Nationwide Bank, a Federal Savings Bank	Buyer's interest will be subject to lienholder's rights. Buyer's interest may be terminated, but Buyer may be entitled to a refund of deposit.

F. Management of the Common Elements: The Association of Apartment Owners is responsible for management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

Initial Managing Agent: When the developer or the developer's affiliate is the initial managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial managing agent for this condominium is:

[ ] not affiliated with the Developer.

[ ] the Developer or the Developer's affiliate.

[ X ] self-managed by the Association of Apartment Owners.

[ ] other \_\_\_\_\_

**G. Estimate of Initial Maintenance Fees:**

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

Exhibit "G" contains a schedule of maintenance fees and maintenance fee disbursements.

**H. Utility Charges for Apartments:**

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

☒ Not applicable

☐ Electricity

☐ Television Cable

☐ Gas

☐ Water & Sewer

☐ Other \_\_\_\_\_

**I. Construction Warranties:**

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

**1. Building and Other Improvements:**

Common elements - none

Units A & B sold "As Is" and no warranties are applicable.

**2. Appliances:**

Any manufacturer's warranties currently in effect.



J. Status of Construction    Estimated Completion Date:

Construction on Unit A is completed.

Construction on Unit B is completed.

K. Project Phases:

The developer ☐ has      ☒ has not      reserved the right to add to, merge, or phase this condominium.

Summary of Developer's Present Plans for Future Development:

N/A

L. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

☐ Notice to Owner Occupants

☒ Specimen Sales Contract

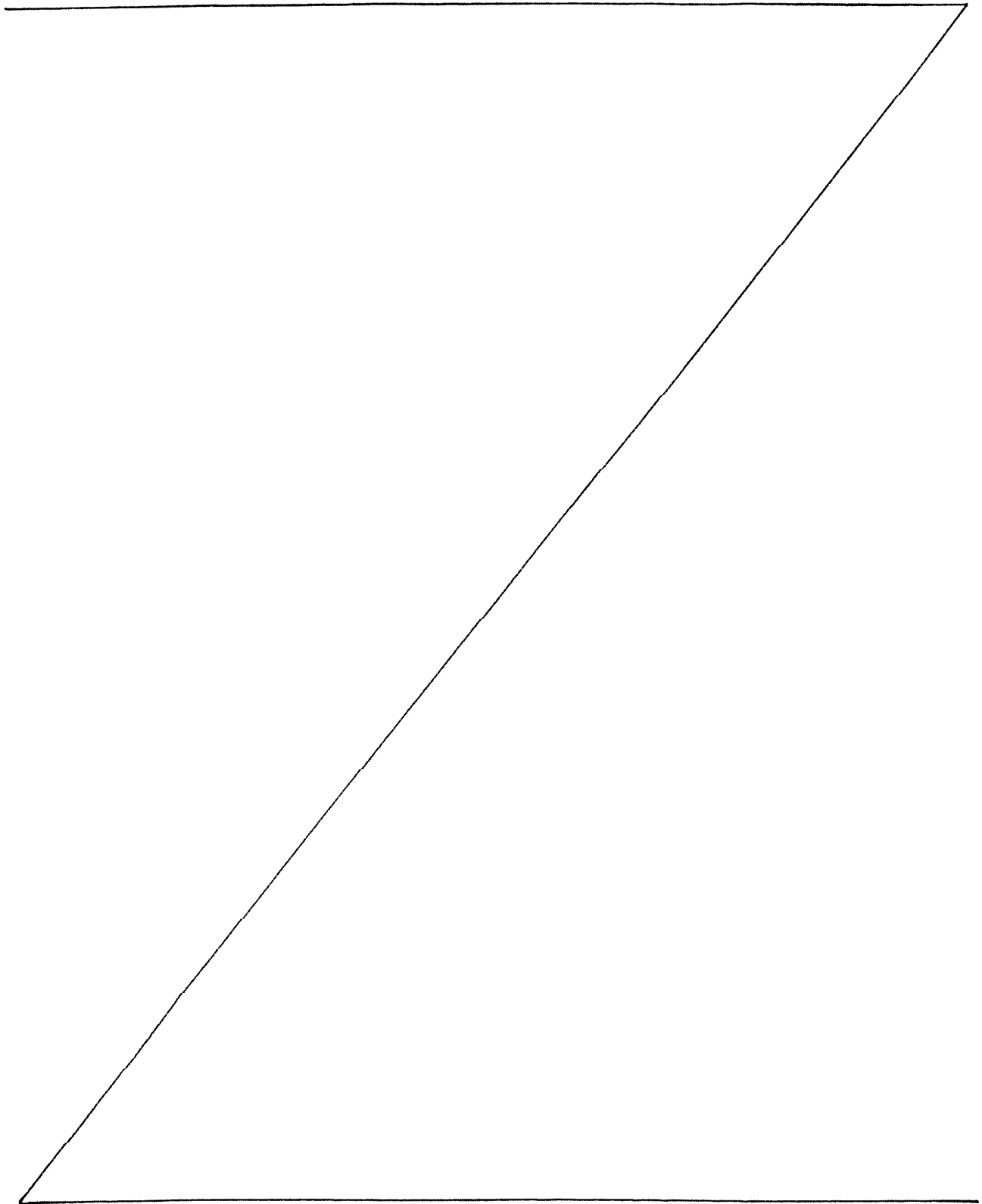
Exhibit "H" contains a summary of the pertinent provisions of the sales contract.

☒ Escrow Agreement dated April 22, 1992

Exhibit "I" contains a summary of the pertinent provisions of the escrow contract.

☐ Other \_\_\_\_\_

IV. AD      ONAL INFORMATION NOT COVE      ) ABOVE



## Buyer's Right to Cancel Sales Contract:

### A. Rights Under the Condominium Statute:

Preliminary Report: Sales made by the Developer are not binding on the prospective buyer. Sales made by the Developer may be binding on the Developer unless the Developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

1. The Developer delivers to the buyer a copy of:
  - a. Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report;  
AND
  - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
  - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
  - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
  - c. The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

### B. Rights Under the Sales Contract:

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Condominium Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other Declaration of Restrictive Covenants For Bowles Half Acres Subdivision.

If these documents are not in final form, the buyer should ask to see the most recent draft.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is part of Registration No. 2656 filed with the Real Estate Commission on  
June 1, 1992.

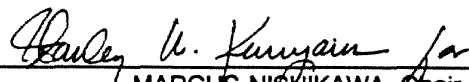
Reproduction of Report. When reproduced, this report must be on:

☐ yellow paper stock

☒ white paper stock

☐ pink paper stock

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary public Report is issued or unless the Commission issues an order extending the effective period for the report.



MARCUS NISHIKAWA, Chair  
REAL ESTATE COMMISSION  
STATE OF HAWAII

**Distribution:**

Department of Finance, County of Kauai  
Planning Department, County of Kauai  
Federal Housing Administration

EXHIBIT "A"

DESCRIPTION OF BUILDINGS

The project consists of two (2) separate residential buildings, each of which has a garage appurtenant thereto. Each building contains one (1) detached residential unit, as more particularly described in the Declaration and as shown on the Condominium File Plan.

EXHIBIT "B"

ALTERATION OF PROJECT

Paragraph J of the Declaration provides that:

1. Each unit owner shall have the right at his sole option at any time and from time to time, as hereinafter set forth, without the consent and/or approval of the owner of the other unit or any other persons or entity, to improve, renovate, remodel, make additions to, enlarge, remove, replace, alter or restore the improvements to or in his unit or portions thereof or upon the yard appurtenant to his unit (collectively, the foregoing are referred to as "alterations"). Each unit owner shall have the right without the consent or joinder of any other person to amend this declaration and the Condominium File Plan to accomplish any such alterations. If required by the Act, promptly upon completion of such alterations the owner of the altered unit shall duly record such amendment to this declaration in the Bureau of Conveyances, together with a complete set of the floor plans of such unit as so altered, certified by a registered architect or professional engineer to fully and accurately depict the altered portions of the property as built. All existing unit owners and all future unit owners and their mortgagees, by accepting an interest in a unit, consent to all such alterations and agree to give and shall be deemed to have given the owner of the altered unit a power of attorney to execute an amendment to the declaration solely for the purpose of describing the alterations to such unit in the declaration so that the owner of the altered unit shall hereafter have a power of attorney from all the other unit owners to execute such amendment to the declaration. This power of attorney shall be deemed coupled with each owner's interest in his unit (including his common interest) and shall be irrevocable.

2. Any alteration of the plans of a unit pursuant to this paragraph J shall be subject to the following conditions:

(a) All building plans for any such alterations shall conform with County building or zoning laws and other applicable County ordinances.

(b) Such alterations may decrease or increase the size of the affected unit, provided that no alteration shall extend or place the unit outside of the limits of the yard appurtenant to such unit.

(c) All such alterations shall be at the sole expense of the unit owner making the change and shall be made within one (1) year of the commencement thereof and in a manner that will not unreasonably interfere with the other unit owner's use of his unit or yard.

(d) The owner of the altered unit shall have the right to utilize, relocate and realign existing and/or to develop additional, central and appurtenant installations for services to the unit affected by such alteration for electricity, sewer and other utilities and services and when applicable, to add, delete, relocate, realign, designate and grant easement and rights-of-way over, under and on the common elements as necessary or desirable in connection therewith; provided that the same shall not cause any interruption in the service of such utilities to any other part of the project, nor shall it unreasonably interfere with the other unit owner's use or enjoyment of his unit or yard.

(e) Each and every conveyance, lease and mortgage or other lien made or created on any unit and all common interests and other appurtenances thereto shall be subject to the provisions of this paragraph and any lease of a unit shall reserve to all unit owners the rights set forth in this paragraph.

\* SPECIAL NOTATION:

When applying for zoning permits with the Planning Department of the County of Kauai, 75% of the owners of the project must sign the permit forms. This requirement is binding on all purchasers as well as future assignees.

The approval of the Condominium Public Report should not be construed to mean that all County Codes and Ordinances have been complied with and all subsequent development and use shall comply with applicable County Codes and Ordinances.

Additionally, the creation of the Condominium Property Regime does not mean that the land has met the subdivision requirements of the

County. As such, certain facilities/  
improvements normally associated with  
County approved subdivisions may not be  
necessarily provided for.

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EXHIBIT "B"  
(Page 3 of 3)



EXHIBIT "C"

COMMON ELEMENTS

The common elements of the project shall specifically include, but are not limited to, the following:

1. The land described in Exhibit "A" attached to the Declaration in fee simple.

2. The common element driveway, as defined in Section G.4. of the Declaration and shown on the Condominium File Plan, shall be common area (and not part of a private yard) for use by the owner(s) of each unit for purposes of ingress to and egress from his or her respective yard and unit. The driveway area designated on the Condominium File Plan as Easement "A" and "common element driveway", by cross-hatch and running along the south-east border of Unit A.

3. All yards, grounds, landscaped areas, retaining walls, parking areas and driveways around and between the units.

4. All central and appurtenant installations for common services, including power, light, water, telephone and sewer.

5. Any and all apparatus and installations of common use and all other parts of the project necessary or convenient to its existence, maintenance and safety, or normally in common use.

EXHIBIT "D"

LIMITED COMMON ELEMENTS

Certain units shall have appurtenant thereto easements for the exclusive use of certain limited common elements as follows:

1. Private Yards. The yard upon which each unit is located, as shown on the Condominium File Plan, is appurtenant to and for the exclusive use of such unit, as follows:

<u>Unit No.</u>	<u>Yard (approx. land area)</u>
A	A (11,630 sq. ft.)
B	B (10,150 sq. ft.)

Land areas herein described are not legally subdivided lots.

2. Mailboxes. The mailboxes for each unit are located in the common driveway area and are for the exclusive use of the unit served thereby.

EXHIBIT "E"

COMMON INTEREST

<u>Unit No.</u>	<u>Undivided Common Interest</u>
A	53%
B	47%

NOTE: The common interest appurtenant to each unit was calculated by dividing the approximate total ground area of the lot appurtenant to the unit by the approximate total ground area of all lots in the project.

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

1. Any taxes that may be due and owing and tax liens that may exist, refer to Director of Finance, Kauai County.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. A building setback line 35.00 feet from the East boundary of Lot 2.
4. Declaration of Restrictive Covenants for Bowles Half Acres Subdivision recorded in the Bureau of Conveyances of the State of Hawaii in Book 23721 at Page 69.

(a) The lots shall be used only for private, single-family residences not exceeding two stories in height, including private garages, and no more than two (2) residences (and garages) shall be constructed on any lot.

(b) Plans and specifications for all buildings must be submitted to the Declarant, or a homeowner's association for approval prior to being submitted to the County for a building permit.

(c) Floor and foundations must be of concrete slab construction or of termite-treated lumber. All construction shall be of new materials. No existing structure shall be moved to the premises. No corrugated metal roofs, rolled roofing, or flat metal roofs will be permitted. No roofing material which will produce glare or has a high gloss reflective quality shall be permitted. All roofing materials shall be of the same type and quality.

(d) No structure of a temporary character shall be used on any lot at any time as a residence. No building of metal will be permitted.

(e) Each owner shall install and maintain his own sewage disposal systems/cesspools.

(f) No dwelling shall contain less than one thousand two hundred (1,200) square feet of living area. A garage or carport must be constructed simultaneously with the construction of the dwelling. Three (3) walls of the carport must be enclosed. The style or roof of the garage

or carport shall match the style of the dwelling's roof. All utilities and home appliances shall be enclosed. Rubbish cans shall be screened from the street.

(g) All structures shall be finished with earth tone colored paint, stain, siding, etc.

(h) Drainage shall be diverted toward the street or existing storm structures, if any, and drainage of adjacent lots must not be obstructed.

(i) All buildings shall comply with all applicable local building codes. The minimum side yard setback shall be the greater of 10 feet or such side yard setback reflected on the subdivision map.

(j) The lot shall not be used as a dumping ground for rubbish, trash, garbage, or other waste, and the lot shall be free from weeds, high grass, and other debris.

(k) No noxious or offensive activity which may become an annoyance or nuisance to the neighborhood or other owners shall be permitted. No animals, livestock, or poultry shall be kept on a Lot, except that a reasonable number of dogs, cats, or other common household pets, not exceeding two (2) of each shall be permitted.

(l) Easements for the installation and maintenance of utilities are as shown on the subdivision map, and no structure, special plantings, or other material shall be placed on such easements which may obstruct access to the easement areas.

(m) Easements for site distances and drainage swales are as shown on the subdivision map.

(n) No sign of any kind shall be displayed to the public view on any lot, except one professional sign not more than five (5) square feet advertising the property for sale or for rent, or a sign used by a builder or landscaping contractor during construction of improvements on the lot.

(o) The premises may periodically be affected by adverse environmental conditions by surrounding agricultural, industrial or other non-residential activities.

5. Mortgage dated February 15, 1990, made by John Stanton Rollins and Tamara Ann Rollins, in favor of First Nationwide Bank, a Federal Savings Bank, as Mortgagee, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 91-006586.
6. Declaration of Condominium Property Regime of "Rollins Condominium" recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 92-048303.
7. Bylaws of the Association of Unit Owners of "Rollins Condominium" recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 92-048304.
8. Condominium Map recorded as File Plan No. 1638.

EXHIBIT "G"

ESTIMATED OPERATING EXPENSES

ROLLINS CONDOMINIUM

\* Estimated Annual Expenses

Ground Maintenance and	
** Water/Sewer and Electricity:	\$ -0-
*** Fire/Liability Insurance:	\$1,000.00
Real Property Taxes:	\$ -0-
Management Fee:	\$ -0-
Miscellaneous:	
- Common driveway area maintenance	\$ 250.00
TOTAL ANNUAL EXPENSES	\$1,250.00

Estimated Monthly Expenses

\$ -0- ÷ 12 months:	\$ -0-
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Estimated Monthly Maintenance Fee for Each Unit:

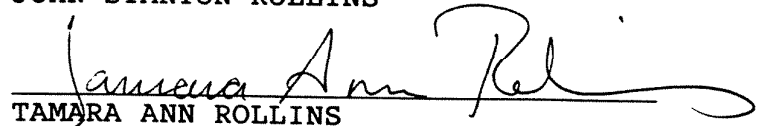
Estimated Monthly Expenses:	\$ -0-
TOTAL MONTHLY MAINTENANCE FEE FOR EACH UNIT:	\$ -0-

Note: \* The regular maintenance, repair, and property taxes for each unit and appurtenant limited common elements shall be the sole responsibility of each respective unit owner.

\*\* All utilities will be separately metered or otherwise charged, and the common elements will incur no separate utility charges.

\*\*\* Section 514A-86, Hawaii Revised Statutes, requires that the association purchase fire insurance to cover the improvements portion of the project. The Declarant anticipates that the association will elect to require each owner to obtain separate fire insurance and liability policies for his respective unit pursuant to Article 7 of the bylaws. As such, premiums for such policies will be the individual responsibility of each unit owner.

The Developer certifies that the maintenance fees and costs as estimated by the Developer is based on generally accepted accounting principles.

  
JOHN STANTON ROLLINS  
TAMARA ANN ROLLINS

"Developer"



EXHIBIT "H"

SUMMARY OF DEPOSIT RECEIPT AND SALES CONTRACT

The Deposit Receipt and Sales Contract, including the terms and conditions attached thereto as Article IV (hereinafter collectively called the "Sales Contract") contain the price and other terms and conditions under which a purchaser will agree to buy a unit in the Project. Among other things, the Sales Contract states:

(a) The total purchase price, method of payment and additional sums which must be paid in connection with the purchase of a unit.

(b) That the purchaser acknowledges having received and read a public report (either preliminary or final) for the Project prior to signing the Sales Contract.

(c) That the Developer makes no representations concerning rental of a unit, income or profit from a unit, or any other economic benefit to be derived from the purchase of a unit.

(d) That the purchaser's money will be held in escrow, under the terms of the Escrow Agreement.

(e) Requirements relating to the purchaser's financing of the purchase of a unit.

(f) That the unit and the Project will be subject to various other legal documents which the purchaser should examine, and that the Developer may change these documents under certain circumstances.

(g) That the Developer makes no warranties regarding the unit, the Project or anything installed or contained in the unit or the Project.

(h) That the purchaser must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

(i) That the purchaser will not receive interest on deposits made under the Sales Contract.

(j) If the buyer shall default:

(1) The contract may, at the seller's option, be terminated by written notice to the buyer; and

(2) Any sums paid by the buyer shall belong to the seller as liquidated damages (up to a maximum of 20% of the total purchase price); and

(3) The seller may pursue any other remedy, including specific performance, permitted by law or equity. All costs, including reasonable attorneys' fees, incurred by reason of default by the buyer shall be borne by the buyer.

Further, if the buyer shall default in making any payment when due, a late charge of one percent (1%) per month shall accrue from the due date until such payment, together with such late charge, is paid, or at any time prior to the time that such payment and late charge is paid in full, the seller may, at its option, terminate this contract as provided in paragraphs (1) through (3) above.

The Sales Contract contains various other important provisions relating to the purchase of a unit in the Project. It is incumbent upon purchasers and prospective purchasers to read with care the specimen sales Contract on file with the Real Estate Commission.

EXHIBIT "I"

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement sets up an arrangement under which the deposits a purchaser makes pursuant to a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement, these things will or may happen:

(a) Escrow will let the purchaser know when payments are due.

(b) Escrow will arrange for the purchaser to sign all necessary documents.

(c) The purchaser will be entitled to a refund of his or her funds only under certain circumstances as set forth in the Sales Contract.

The Escrow Agreement also establishes the procedures for the retention and disbursement of a purchaser's funds and says what will happen to the funds upon a default under the Sales Contract. The Escrow Agreement contains various other important provisions and establishes certain charges with which a purchaser should be familiar. It is incumbent upon purchasers and prospective purchasers to read with care the executed Escrow Agreement on file with the Real Estate Commission.

(d) Escrow may not disburse any purchaser's funds in the construction of the project until completion of the project and the expiration of the mechanic's and materialmen's lien period. Escrow may disburse prior to completion of the project and expiration of the applicable lien period if the Developers would furnish each purchaser an Owners Title Insurance with an endorsement against any future liens placed on the apartments or project as a result of the development, plus providing the Real Estate Commission a release of the General Contractor's lien rights.